

JPM Global Equity Income Fund

Targets the best income opportunities worldwide

Current yield¹
3.21%

All information as at 31 December 2010 unless indicated otherwise

The JPM Global Equity Income Fund invests worldwide to capture faster growing dividend growth than is usually available to UK equity income investors.

Key selling points – at a glance

- 1. There are more income opportunities abroad** – many of the world's highest yielding companies are based outside the UK, many of the world's leading companies are based outside the UK. The fund is mainly hedged to sterling, allowing us to access these opportunities with reduced currency risk for UK investors
- 2. Equity returns are driven by dividends** – research shows that dividends have accounted for about two thirds of long-term returns across most global equity markets (source: Societe Generale)
- 3. Dividends are growing again** – as they recover from the financial crisis, global companies are beginning to increase their dividends

Fund performance

The JPM Global Equity Income Fund has maintained an attractive income yield – currently offering 3.21%. Its go-anywhere strategy searches for the best dividend yield opportunities, wherever they may be, to create a portfolio with an attractive and growing yield.

	1 month	3 months	1 year	3 years	Since Inception
JPM A - Net Acc	5.10%	6.44%	9.83%	-5.91%	-3.50%
Benchmark ^A	5.70%	8.35%	9.84%	8.52%	14.05%

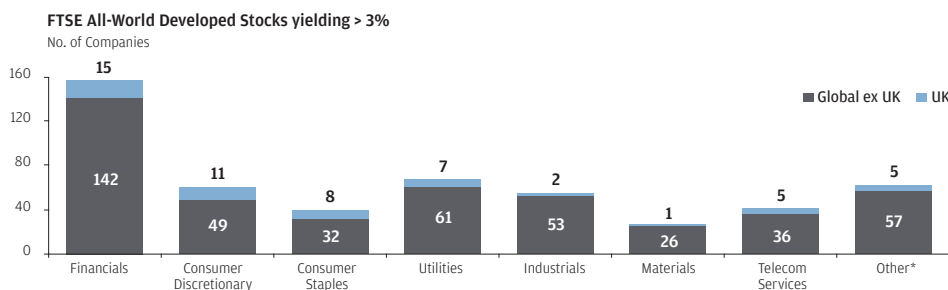
Inception: 07 Feb 2007. Source: J.P. Morgan Asset Management.

^A On 01/05/09 the benchmark for the fund was changed from MSCI World Index (Total Return Net) to MSCI World Index Hedged into GBP (Total Return Net).

Invest globally for better income opportunities

Income stocks currently offer very attractive long-term opportunities. Yields are strong compared to bonds and cash, valuations of income stocks are attractive and dividend growth is starting to return. However, your clients should consider investing globally to take maximum advantage of these income opportunities.

As the chart below shows, 89% of the most attractive income stocks globally are found outside the UK. Investing beyond the UK also provides more diverse income opportunities by sector and a greater spread of stocks to choose from, rather than in the crowded UK equity income sector.



Source: FactSet, FTSE All-World Developed ex Emerging Markets, as at 28 February 2011.

*Other includes Energy, Information Technology, and Healthcare.

Investing globally also provides your clients with greater portfolio diversification, potentially boosting long-term risk-adjusted returns and ensuring that they maintain access to the best opportunities in the equity income sector.

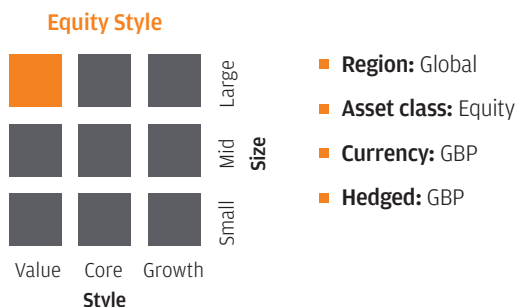
Why is this important? Because dividend yield and dividend growth have historically provided the greatest contribution to overall stock market returns. And stocks with a strong and rising dividend yield have historically outperformed the broader market.

¹ The Historic Yield reflects distributions declared over the past 12 months as a percentage of the quoted share price at the date shown. It does not include any preliminary charge and investors may be subject to tax on their distributions. A portion of the fund's expenses are charged to capital. This has the effect of increasing the distribution for the year by 1.5 percentage points and constraining the fund's capital performance to an equivalent extent.

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How the fund may fit in a client's portfolio

The fund may be suitable for investors who are looking for a globally diversified portfolio that produces a regular and growing income.



Source: Morningstar

Why J.P. Morgan Asset Management for global equity income?

What gives us an edge over our competition is our focus on sustainable cashflow and the ability to select stocks which are attractively valued. Our strategy for finding yield is not simply about chasing the highest dividend-paying stocks, as this increases the risk of buying weak companies with unsustainable dividends and can also have a detrimental impact on sector allocation.

We have a more fundamental approach to income investing and invest in stocks that exhibit a commitment to a solid dividend policy backed up by strong and improving cashflow. We also focus on robust capital management and the balance sheet strength of companies to support their operations. This has led to performance that has been strong relative to the UK dividend market while also keeping volatility at low levels.

Investing in only the best

The fund's experienced investment team can call on the fundamental company research of 58 career analysts worldwide.



A team of three portfolio managers, with an average of 21 years' industry experience support lead manager **Gerd Woort-Menker**.

Gerd is a senior portfolio manager in the Global Equities Team. An employee since 1987, he started his investing career as a research analyst following the European insurance industry, was later promoted to head of European research, and then named global head of research. Gerd currently manages international and global equity portfolios; he has also managed the International Value strategy since its inception.

To learn how the **JPM Global Equity Income Fund** can add diversification and boost growth, call us on **0800 727 770** or visit us on www.jpmorganassetmanagement.co.uk/adviser

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